

State of Washington
Decision Package

Agency: 390 WA State Historical Society
Decision Package Code/Title: N7 National History Day
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary Text:

Washington State Historical Society is requesting funding to support the continuation of the National History Day program in Washington State.

Fiscal Detail

Operating Expenditures	FY 2016	FY 2017	Total
001-1 General Fund	122,000	122,000	244,000
Total Cost	122,000	122,000	244,000
Staffing	FY 2016	FY 2017	Annual Avg.
FTE	1.25	1.25	1.25

Package Description:

Washington State Historical Society (WSHS) requests funding support for 1.25 FTE and program costs to support the National History Day program in Washington. Washington State History Day serves more than 9,000 middle and high school students across the state in more than 85 schools. A project-based learning program, National History Day is a year-long history program that is scientifically proven to improve academic performance and standardized test scores for its participants. National History Day participation builds the 21st century skills of communication, collaboration, critical thinking and creativity. While the program is grounded in history, participants are able to customize their project to their own interests, with many pursuing topics in the areas of science, math, and civics in addition to the humanities.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The performance outcome of package approval will be our agency's ability to continue offering the National History Day program to Washington students. Due to funding deficiencies, we have made budget cuts for the 2015 program and have proposed eliminating the program in 2016

should additional funding not be secured.

Performance Measure Detail

Activity: A002 Agency Administration

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Our strategic plan contains a goal to provide opportunities to build historical inquiry skills for students statewide. The National History Day program is one of the primary ways that we meet this established goal. Additionally, our strategic plan has an objective to increase National History Day participation by 15% by 2017. We have made significant progress toward this objective to date. However, if the program is ended due to budget constraints we will not meet this objective.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities? What are the other important connections or impacts related to this proposal?

This decision package speaks directly to the Governor's Results Washington Priority under World Class Education: 1.2.f. Increase project-based, career, workplace, community learning opportunities that provide STEM and 21st century skills with career and technical education (CTE) from 65% to 70% by 2016, as well as 1.2.j. Increase percentage of K12 students who score proficient or better on statewide exams by 2% per year by 2018.

National History Day is a project-based program that is rooted deeply in community learning as participants seek out primary sources in community institutions as well as through interviews with individuals, to support the thesis for their project. Additionally, formal studies have shown that National History Day participants outperform their peers on state standardized tests in multiple subjects including reading, writing, science, math, and social studies.

What alternatives were explored by the agency, and why was this alternative chosen?

The Society has consistently sought contributed income for the National History Day program. Because it is an ongoing program, there is little interest from corporations or foundations who prefer to support new programs or start-up efforts. Additionally, because the program is often initiated at the classroom or school level, there is a perception that it is, or should be, publically funded as part of the K-12 system.

What are the consequences of adopting or not adopting this package?

WSHS currently plans to eliminate the program or seek another entity to take it over in FY2017 if significant additional funding is not identified.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

Object	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries and Wages	56,000	56,000	112,000
B Employee Benefits	20,000	20,000	40,000
C Personal Service Contracts	-	-	-
E Goods and Services	40,000	40,000	80,000
G Travel	6,000	6,000	12,000
J Capital Outlays	-	-	-
T Intra-Agency Reimbursements	-	-	-
Total Objects	122,000	122,000	244,000
Revenue:	40,000	40,000	80,000

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing with 1.25 FTE and \$122,000 per year.

State of Washington
Decision Package

Agency: 390 WA State Historical Society
Decision Package Code/Title: P1 Fiscal Staff Addition
Budget Period: 2015-17
Budget Level: PL-Performance Level

Recommendation Summary Text:

Washington State Historical Society is requesting one FTE Fiscal Analyst 1 to assist with internal controls, the separation of duties in the fiscal office, and general fiscal operations.

Fiscal Detail

Operating Expenditures	FY 2016	FY 2017	Total
001-1 General Fund	68,000	68,000	136,000
Total Cost	68,000	68,000	136,000
Staffing	FY 2016	FY 2017	Annual Avg.
FTE	1.0	1.0	1.0

Package Description:

Washington State Historical Society (WSHS) requests one FTE Fiscal Analyst 1 to assist with the separation of duties and internal controls in the fiscal office in FY2015-17. This FTE is necessary to support daily Accounts Receivable activities, to reconcile and track all bank activities with the state accounting system (AFRS), to assist in managing daily operations with the admission desk and the gift shop, to assist the fiscal office with assets management and year end closing.

The WSHS fiscal office currently has only two staff persons: a Chief Financial Officer and a Fiscal Analyst 3. These staff manage the roughly \$7.2M in operating budget for the agency, along with \$13M+ in capital funds controlled by the agency. Staffing of the fiscal office was necessarily reduced due to ongoing budget cuts to the agency which total more than 40% since 2008. As a consequence of this reduced staffing, payroll and asset management has been handled by our Chief Administrative Officer, while separation of duties has been attempted by having non-fiscal staff such as receptionists and security guards assist with fiscal processes. This has not been successful.

It is not possible to make cuts in other areas in order to support additional staffing in our fiscal office, as other staff are focused on providing mission-related services that directly support

earned and contributed income streams, or on basic facility management and operation. Decreasing our investment in these areas would have a direct, negative impact on the fiscal operations of the agency. This is particularly true given how lean our staffing and program budgets are after budget cuts in recent biennia.

In order to meet OFM expectations regarding internal controls, cash and asset management, and reporting, we must add additional staff to our fiscal office.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The outcome of this request will be increased internal control of daily Accounts Receivable activities and separation of duties in the fiscal office. This will enable WSHS to meet OFM and auditor expectations with regard to internal controls, cash and asset management, and reporting.

Performance Measure Detail

Activity: A002 Agency Administration

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

Our strategic plan has established a goal of zero audit findings in our next state audit. Our last audit resulted in two findings, primarily related to inadequate internal controls. We feel that our staffing levels must be increased in order to strengthen internal controls.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities? What are the other important connections or impacts related to this proposal?

The Governor has established a priority to improve performance audits. This staff position will directly positively impact WSHS' ability to improve performance audit outcomes for the agency by strengthening internal controls and building the capacity of our fiscal office.

What alternatives were explored by the agency, and why was this alternative chosen?

For the past several years the agency has tried using unqualified resources to assist with Accounts Receivable activities, such as reception and security staff. As these staff do not have professional experience in this area, and have other duties as their priority, this strategy has not been successful despite training and other efforts.

What are the consequences of adopting or not adopting this package?

WSHS will continue to not have the fiscal office resources necessary to meet OFM standards for Accounts Receivable processes and other internal controls if this package is not adopted.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None

Expenditure and revenue calculations and assumptions

Object	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
A Salaries and Wages	44,000	44,000	88,000
B Employee Benefits	15,000	15,000	30,000
C Personal Service Contracts	-	-	-
E Goods and Services	9,000	9,000	18,000
G Travel	-	-	-
J Capital Outlays	-	-	-
T Intra-Agency Reimbursements	-	-	-
Total Objects	68,000	68,000	136,000

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

All costs are ongoing at 1.0 FTE and \$68,000 per year.